



Third quarter and nine months ended 30 September 2006 results

Strong growth continues

- **Over 1.8 million residential direct access customers**
- **Continued growth in RGUs per customer**
- **20% EBITDA increase vs. Q3 2005 proforma**
- **EBITDA margin rises to 35.4%**
- **New management structure to accelerate ONO's growth**

Madrid - 28 November 2006

Grupo Corporativo ONO, S.A. ("ONO"), the leading alternative provider of telecommunications, broadband Internet and pay television services in Spain, announced today the consolidated unaudited results for the third quarter and nine months ended 30 September 2006. A complete set of results is available at www.ono.es. Highlights are as follows:

FINANCIAL HIGHLIGHTS

Data in €million	Quarter ended					Year to date		
	30-Sep-06	30-Jun-06	% change	30-Sep-05	% change	30-Sep-06	30-Sep-05	% change
	Combined	Combined		Statutory		Combined	Statutory	
Revenues	411	409	0.6%	147	179.2%	1,242	438	183.3%
Gross margin	68.8%	68.2%	0.6 pp	74.7%	(5.9 pp)	68.0%	73.3%	(5.3 pp)
EBITDA	146	138	5.4%	65	124.8%	417	181	130.7%
EBITDA margin	35.4%	33.8%	1.6 pp	43.9%	(8.6 pp)	33.5%	41.2%	(7.7 pp)
Annualised EBITDA	582	553	5.4%	259	124.8%			
Total net debt	3,058	3,001	1.9%	1,487	105.7%			
Leverage	5.3x	5.4x	(0.2x)	5.7x	(0.5x)			

OPERATING HIGHLIGHTS

	30-Sep-06	30-Jun-06	% change	30-Sep-05	% change
Cable data:					
RGUs (thousands)	3,425	3,335	2.7%	1,609	112.9%
Homes marketable (thousands)	5,998	5,886	1.9%	2,777	116.0%
Penetration	29.2%	29.2%	-	30.8%	(1.6 pp)
Resid. Customers (thousands)	1,751	1,721	1.7%	856	104.5%
ARPU (€)	51.6	52.3	(1.5%)	51.9	(0.7%)
RGUs per customer	1.96	1.94	0.9%	1.88	4.1%

Commenting on the results, **Richard Alden**, ONO's Chief Executive Officer, said:

“This has been a positive quarter for ONO despite the seasonal factors that we face in the summer. In a very competitive environment we have had good commercial success adding 90,000 new cable services in the quarter to surpass 3.4 million services, with broadband internet continuing to be the main growth driver. Our focus on our “triple play” strategy yielded positive results, with good growth in the average number of RGUs per customer.

“The transformation of our business is continuing successfully. We have already achieved significant savings and increases in efficiency at the same time as growing the top line. There is much more to do and much more growth to come. In order to prepare the company better for that growth we have recently adjusted the management structure to focus on our ambitious objectives of performance, quality of service and profitability. We are now organised in nine executive areas: Operations, Finance, Infrastructure and Resources, Business and Wholesale, Strategic Marketing, Television, Service Excellence, Information Systems and Internet, and Human Resources.”

Jonathan Cumming, Chief Financial Officer of ONO, added:

“We have delivered a good financial performance in the third quarter. We have increased revenues quarter on quarter and improved the quality of those revenues leading to an uptick in gross margin. This, coupled with our continued focus on efficiency and cost control, has led to a strong EBITDA result of €146 million for the quarter and an important improvement in the EBITDA margin to 35.4%. This EBITDA result represents a 20% increase against the proforma figure for the third quarter of 2005.

“As a result of this strong performance, we remain comfortable with our guidance for EBITDA performance for the full year 2006 of between €550 million and €580 million and beyond that we believe that we remain on target to regain the levels of EBITDA margin that ONO was experiencing prior to the acquisition of Auna.”



About ONO

ONO is the leading alternative provider of telecommunications, broadband Internet and pay television services in Spain and the only cable operator with national coverage. ONO offers its services to approximately 1.8 million direct access residential and 68,000 business customers as of 30 September 2006, through its own state of the art networks which give direct access to around six million homes in franchises which cover the majority of Spain, including the nine largest cities. ONO's shareholders are Caisse de Dépôt et Placement du Québec, CCMP Capital, GE Structured Finance Inc., Grupo Multitel, Grupo Santander, Providence Equity Partners, Quadrangle Capital Partners, Sodinteleco and Thomas H. Lee Partners.

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Certain statements in this release are "forward-looking statements" intended to qualify for the safe harbour under liability established by the Private Securities Litigation Reform Act of 1995 and are subject to material risks and uncertainties. Actual results could differ materially from those stated or implied by those forward looking statements due to risks and uncertainties associated with the ONO group business which include, among others, competitive developments, risks associated with the group's growth and the development of the group's markets regulatory risks.

Further information

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